

For Immediate Release

Contact: Mike Ruzicka
414.778.4929 or 414.870.1876
mike@gmar.ws



May Home Sales Down 25.2%

Market Highlights

- The Decline Was Expected
- Demand Is Strong, Buyers Are Confident
- Summer Is Expected to Be Good

June 12, 2020 – As expected, the Metropolitan Milwaukee real estate market hit the brakes again in May due to efforts to control the coronavirus pandemic. The lack of homes for sale was the main drag on the market, resulting in a large, but anticipated, year-over-year decline in sales.

Understandably, there was some hesitation on behalf of sellers to list their home, fearing the spread of coronavirus. Homebuyers, on the other hand, are confident in the market and ready to make up for lost time, as [strong mortgage application numbers](#) attest to.

Summer is gearing up to be the high point of the 2020 buying season. Potential sellers should act now to include their house in the mix and capitalize on the demand that exists.

The [Housing Market Recovery Index](#) compiled by REALTOR.com shows the Milwaukee market up 15.8 points, climbing back to a level of 84.2 as of June 6th, up from the low point of 68.4 on April 18th. The baseline of 100 was set on February 1st.

May Sales

County	2019	2020	% Change
Milwaukee	1,194	826	-30.8%
Waukesha	589	494	-16.1%
Washington	217	174	-19.8%
Ozaukee	136	104	-23.5%
Metro Area	2,136	1,598	-25.2%
Racine	302	221	-26.8%
Kenosha	264	170	-35.6%
Walworth	257	186	-27.6%
SE WI Area	2,959	2,175	-26.5%

While there were 2,136 sales a year earlier, the fact that 1,598 sales did occur in the economic climate the region experienced in May, shows the resilience of the market and the level of demand among consumers.

Active sellers wanted their REALTOR® to continue marketing their home safely, and buyers were actively viewing homes online and virtually.

Brokers have reported a large jump in web traffic during the length of the governor's "Safer at Home" order.

May Listings

County	2019	2020	% Change
Milwaukee	1,564	1,288	-17.6%
Waukesha	880	692	-21.4%
Washington	272	206	-24.3%
Ozaukee	206	159	-22.8%
Metro Area	2,922	2,345	-19.7%
Racine	379	292	-23.0%
Kenosha	315	233	-26.0%
Walworth	222	129	-41.9%
SE WI Area	3,838	2,999	-21.9%

Listings

Listings were down 19.7% in the metropolitan area, and down by 21.9% in Southeastern Wisconsin, in May.

One measure of the rebound the market appears to be amid is the active listings available in the Metro MLS system for REALTORS® to search.

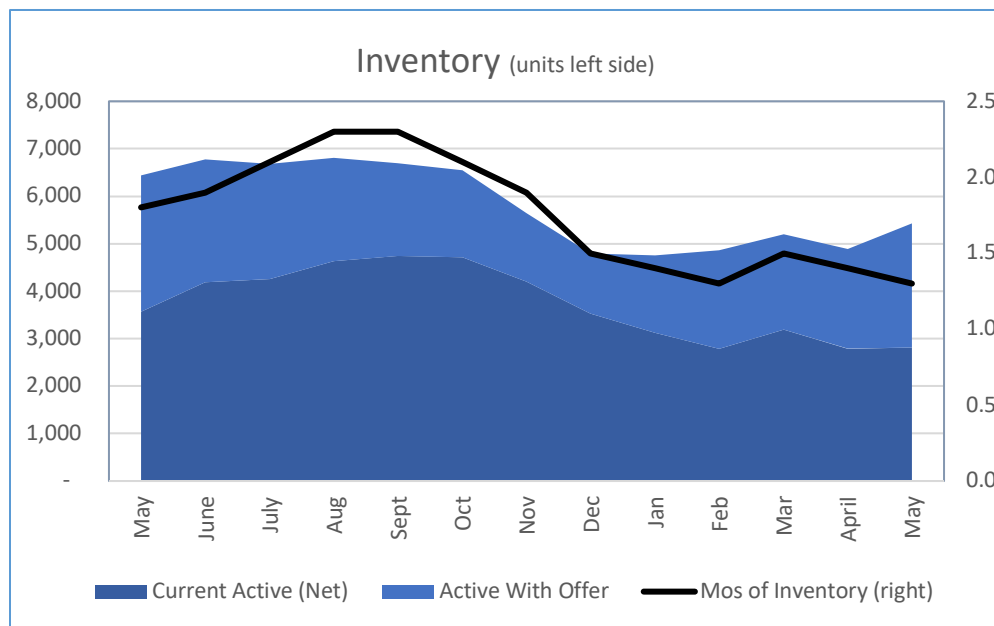
In May, the number of active listings was 5,425, up 2.2% from April's 4,889.

2020 Active Listings

	Listings	% Chnge
January	4,752	
February	4,858	2.2%
March	5,194	6.9%
April	4,889	-5.9%
May	5,425	10.9%

Inventory

Seasonally adjusted inventory is calculated by taking the homes available for sale in each month and comparing them to the average sales of the past 12 months. This tells us how many months it would take to sell the existing homes on the market.



The seasonally adjusted inventory level for May was 3.1 months, up from April's 2.8 month level. For comparison, the seasonally adjusted level was 3.8 months in May 2019.

Generally, six months of inventory is considered a "balanced" market. If inventory falls below six months, the market favors sellers; and when inventory exceeds six months, it is a buyer's market. With 5,425

current listings providing 3.1 months of inventory, the market would need an additional 5,000 units available to push inventory to 6 months.

We can also calculate inventory by subtracting the listings that have an "active offer" from those available for sale in each month. Approximately 8 in 10 listings that buyers place an offer on go on to a complete sale. This gives us a different perspective of the quantity of homes available on the market.

Subtracting the 2,610 listings with an active offer from current listings presents an effective inventory level of 1.3 months, down from April's 1.4. A year ago, the same calculation showed May's inventory level at 1.8 months.

REALTORS® Give Back

As an industry, REALTORS® are an extremely engaged and community-minded group of professionals. A recent survey of GMAR members found that:

- 80% of REALTORS® support or are involved with local nonprofits
- On average, REALTORS® are involved with five nonprofits
- 86% of REALTORS® who support a nonprofit do so by providing volunteer hours; and 82% of REALTORS® who support a nonprofit do so with monetary donations
- REALTORS® who volunteer donate an average of 11 hours a month to nonprofits
- 21% of REALTORS® serve on the board of a nonprofit

Where to go

Buyers should seek the counsel of a REALTOR® in determining their best housing options, and sellers need a REALTORS® expert advice in making correct marketing decisions with their homes.

The Greater Milwaukee Association of REALTORS® is a 5,000-member strong professional organization dedicated to providing information, services, and products to “help REALTORS® help their clients” buy and sell real estate. Data for this report was collected by Metro MLS, Inc. a wholly owned subsidiary of the GMAR.

* Sales and Listing figures differ between the “Monthly Stats” and quarter (or year-end) numbers, because the collection of Monthly Stats ends on the 10th of each month, whereas quarters are a continuous tally to 12/31. For example, if a sale occurred on July 29th, but an agent does not record the sale until August 11th, that sale would not be included in the July sales figures (or any subsequent month’s total) but would be added to the quarterly and annual total sales figures.

** All references to the “metropolitan” area denotes the 4 counties of Milwaukee, Waukesha, Ozaukee and Washington Counties. The “region” or “Southeast Wisconsin” refers to the 4 metropolitan counties (Milwaukee, Waukesha, Ozaukee, and Washington), plus the 3 counties to the south, Racine, Kenosha, and Walworth Counties.

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